5 months ending December, 2006 (August-December, 2006) compared to 8.3% recorded during August-December, 2005 and 9.9% during August—December, 2004.

(b) to (d) Do not arise.

(e) Purchasing Managers' Index (PMI) is brought out by ABN-AMRO Bank, a private agency. It has been reported in their website, that "Manufacturing sector PMI fell from 58.9 in November to 56.6 in December. ... The dip in the Index suggests that the pace of growth slowed down" Government measures the growth of manufacturing by the Index of Industrial Production (IIP). The Index of manufacturing according to IIP was 266.3 in November, 2006 as compared to 279.4 in December, 2006. This does not indicate any slowing down.

Time limit for procedural formalities for approved SEZs

3691. SHRI VIJAY KUMAR RUPANI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether any time limit is fixed by Government for completion to procedural formalities for the approved Special Economic Zones (SEZs);

(b) whether Government have informed all the developers of approved SEZs;

(c) whether Government have worked out any steps to be taken, if the procedural formalities are not completed in time;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) As per the provisions of the Special Economic Zones Rules, 2006, the Letter of Approval issued to the SEZ developer by the Central Government in respect of a formally approved SEZ is valid for 3 years within which period effective steps for implementation of the project must be taken by the developer. The validity can be extended for further two years by the Board of Approval.

(b) Yes, Sir.

(c) and (d) Section 10 of the Special Economic Zones Act, 2005 provide for suspension of the Letter of Approval and appointment of an Administrator to discharge the functions of the developer if at any time the Board of Approval is of the opinion that a developer has violated the terms and conditions of the Letter of Approval.

(e) Does notarise.

Proactive trade negotiations of FTA and PTA

3692. SHRI MAHENDRA MOHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state-fa) whether Government have called upon the textiles industry to be more aggressive and proactive in trade negotiations, conducted at the time of conclusion of FTAs and PTAs, so that their interests are not by passed by the developed countries;

(b) if so, what incentives have been provided by DEPB to the textiles exporters:

(c) whether Government also propose to rationalize various provisions in Rules of Origin (RoO) in this regard;.and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) While negotiating PTAs and FTAs, extensive consultations are held with ail sectors of the industry, including the textile industry, in order to take their sensitivities and interests into consideration

(b) The DEPB Scheme neutralizes the duty suffered on the deemed import content used in the manufacture of the export product. Benefits under the DEPB Scheme are allowed as per the DEPB rates for different export products, including textile products, as notified by the Directorate General of Foreign Trade (DGFT) from time to time. The DEPB rates on textile products range from 0.9% to 7% at present.

(c) and (d) Rules of Origin are the criteria to determine the 'origin' of a product on which tariff concessions are to be given. The objective of framing Rules of Origin is to prevent deflection of trade from non-FTA countries. In order to meet this objective, the qualifying criteria in India's FTAs has been